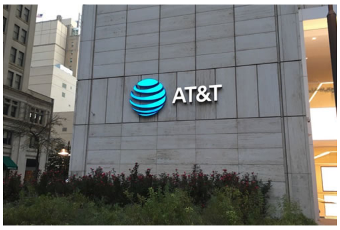

AT&T called off plans to repurchase $4 billion in stock during the second quarter — and has halted all other buybacks — saying it has decided to keep the cash to invest in its networks and in taking care of employees during the coronavirus pandemic. Keeping their dry powder will help them weather the storm.

They made the disclosure Friday in an SEC filing, said that while its business “continues to operate effectively” during the COVID-19 outbreak the ongoing crisis could have a material impact on financial results.

“The COVID-19 pandemic has and will continue affecting economies and businesses around the world. The impacts of the pandemic could be material, but due to the evolving nature of this situation, we are not able at this time to estimate the impact on our financial or operational results,” AT&T said in the filing.

Shares of AT&T fell more than 8% at the start of trading Friday amid upticks for the Dow and S&P 500 indices. AT&T closed down 5.2% to $31.15 per share on Thursday.

AT&T said it suspended all stock repurchases “to maintain flexibility and focus on continued investment in serving our customers, taking care of our employees and enhancing our network, including nationwide 5G,” the company said. “These continued investments will help ensure the company is well positioned when the pandemic passes and economies begin to recover.”

In the SEC filing, the company cited coronavirus-related factors that could “impact our ability to serve customers,” including: effectiveness of COVID-19 mitigation measures; global economic conditions; consumer spending; work-from-home trends; and supply chain sustainability. AT&T noted that the virus pandemic could result in “increased or decreased demand for our products and services.”

AT&T last week was among the cable and telecom companies that joined the FCC’s “Keep Americans Connected Pledge” to not cut off access to customers for 60 days, even in the event consumers are unable to pay their bills.